

MINUTES OF MEETING
OF
SENNA HILLS MUNICIPAL UTILITY DISTRICT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

A meeting of the Board of Directors of Senna Hills Municipal Utility District, open to the public, was held at 7:00 a.m. on May 29, 2015, the CE-Bar Fire Department, 353 South Commons Ford Road, Austin, Texas 78733, pursuant to notice duly given in accordance with law.

1. CALL TO ORDER

The meeting was called to order.

2. ROLL CALL OF DIRECTORS

At the start of the meeting the Directors present were Chet A. Palesko, David I. Perl, Lisa McKenzie, Corey Newhouse and Joe Szoo, thus constituting a quorum. No Director was absent.

Also present at the meeting were Robert Ferguson, Allen Douthitt, Kristi Hester, Mike Willatt and Bill Flickinger.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETINGS

The Board reviewed the minutes from the prior Board meeting on April 17, 2015. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the minutes with correction of one typographical error on page 2. The motion carried unanimously.

5. ALL MATTERS RELATED TO WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

Allen Douthitt stated that rates to the wholesale customers have been downward adjusted a small amount. Lisa McKenzie asked about possible changes in the surcharge by the PUA and the District's corresponding charge. David I. Perl asked about the drought stages due to the recent rain. Kristi Hester reported there has been no official change in the drought stage. Robert Ferguson indicated that the drought stage triggers can be reviewed by the Board.

6. ENGINEER'S REPORT ON SOME OR ALL OF THE AGENDA ITEMS

Robert Ferguson presented the Engineer's Report.

1. The effluent irrigation system improvements are complete; however, he is still in contact with Travis County for an inspection which has not been completed due to the recent rain.
2. In connection with the wastewater treatment plant, he has met with an alternate supplier of a membrane system and may be recommending a bid on the plant with alternative systems which will allow possible other suppliers utilizing the existing basins. Bidders will need to advise of modifications needed and cost of modifications. It will be a performance-based modification.
3. In connection with the MS4 permit, Robert Ferguson discussed the possibility of Board involvement and ST involvement in the fulfillment of the requirements of the MS4 permit. At the next Board meeting, Robert Ferguson will provide additional details regarding the requirements of the MS4 permit for Board review.

7. BOOKKEEPER'S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS

Allen Douthitt presented the bookkeeper's report. Motion was made by Joe Szoo and seconded by Corey Newhouse to authorize payment of the bills and the fund transfers as presented. The motion carried unanimously.

8. DISTRICT MANAGER'S REPORT ON OPERATIONS

Kristi Hester provided the Manager's Report.

Kristi Hester reviewed the details regarding the invoices from the Manager and answered questions of the Board.

Kristi Hester provided a copy of the drinking water report that will be sent out with the June water bill. She explained she had made the necessary correction regarding meeting location in that report.

Although the estimated water accountability is at 82%, Kristi Hester wants to review that in detail to be sure it is accurate. She believes that the actual water accountability will be around 89%. Lisa McKenzie asked if more current meter reads could be provided prior to the Board meeting. Kristi Hester agreed to email preliminary numbers to the Board prior to the meeting and include that information in the packet at the meeting.

Kristi Hester provided a copy of the exit interview form from the TCEQ in connection with the recent inspection. A response is being prepared.

An emergency occurred on Monday at the wastewater treatment plant due to the heavy rain event which caused hauling Monday night. The plant is now operational and has sufficient spare parts on the shelves. In addition, the annual maintenance has been completed on the chlorine injection system, and a bad regulator has been replaced.

In connection with the lift stations, the autodialer failure at Lemon Mint Lift Station has been corrected by installing a new dialer, and the Strawflower Lift Station has been cleaned.

In connection with the effluent irrigation system and fields, the Irrigation Pump No. 2 Claval has been rebuilt, and Irrigation Pump No. 1 was removed and repaired. The problem was related to the suction screen.

9. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM

This item was discussed as part of the District Manager's Report on Operations in Item 8 above.

10. THE DISTRICT'S WASTEWATER TREATMENT PLANT

This item was discussed as part of Item 8 regarding District Manager's Report on Operations.

11. BILLING ADJUSTMENTS

There were no billing adjustments this month.

12. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING CHANGE ORDERS, PAY ESTIMATES, ACCEPTANCES AND AWARD OF CONTRACTS.

This item was not discussed.

13. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO

This item was not discussed.

14. THE DISTRICT'S WATER AND SEWER RATES

This item was not discussed.

15. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD. AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING AND LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT

The Board President announced that the Board of Directors will now go into closed session for consultation with the District's attorney pursuant to Section 551.071 of the Texas Government Code regarding matters related to Agenda Item No. 15. The Board went into closed session at 8:22 a.m.

At 8:40 a.m., the Board President announced that the Board of Directors has concluded its closed session and is returning to open meeting, and that no action was taken during the closed session.

Director Lisa McKenzie left the meeting after consideration of Item No. 15 and prior to consideration of Item No. 16 below.

16. CAUSE NO. D-1-GN-14-005177; WILLIAM D. MARSH AND MARIA ELLENA CUEVAS SANTANA V. SENNA HILLS MUNICIPAL UTILITY DISTRICT; IN THE DISTRICT COURT OF TRAVIS COUNTY, TEXAS; 419TH JUDICIAL DISTRICT; AND ALL RELATED ISSUES

The Board President announced that the Board of Directors will now go into closed session for consultation with the District's attorney pursuant to Section 551.071 of the Texas Government Code regarding matters related to Agenda Item No. 16. The Board went into closed session at 8:42 a.m.

At 8:56 a.m., the Board President announced that the Board of Directors has concluded its closed session and is returning to open meeting, and that no action was taken during the closed session.

Motion was made by Joe Szoo to authorize the District's attorneys and a committee consisting of David I. Perl and Corey Newhouse to contact the Travis Central Appraisal District in an effort to determine procedures followed by Travis Central Appraisal District in the event of false or misleading testimony by a property owner concerning the value of property within the District, and any associated procedures and safeguards that the Travis Central Appraisal District may have to prevent inaccurate valuations of property within the District. The motion was seconded by President Chet A. Palesko. The motion carried unanimously.

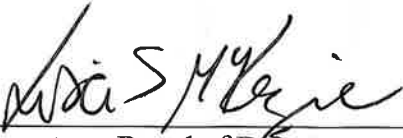
17. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

[SEAL]